

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Re Application of:

Demeyer, Michael

Serial No.: 10/678,882

Filed: October 3, 2003

Confirmation No.: 1279

Group Art Unit: 2191

Examiner: Wu, Junchun

TKHR Ref: 250318-1010

For: **SYSTEM AND METHOD FOR LICENSING SOFTWARE**

**SUBSTITUTE APPEAL BRIEF UNDER 37 C.F.R. § 41.37
in Response to Notification of Non-Compliant Appeal Brief**

Mail Stop Appeal Brief - Patents
Commissioner of Patents and Trademarks
P.O. Box 1450
Alexandria, Virginia 22313-1450

Sir:

A Notification of Non-Compliant Appeal Brief was mailed August 1, 2007, which stated that the Appeal Brief was deficient in that it did “not present an argument under separate heading for each ground of rejection on appeal.” This substitute appeal brief makes appropriate corrections to the brief. First, it removes the last two stated grounds of rejection to be reviewed on appeal. Second, it adds appropriate headers into the argument section for the two grounds to be reviewed.

This is an appeal from the decision of Examiner Junchun Wu, Group Art Unit 2191 mailed February 8, 2007, rejecting claims 5-26 in the present application.

I. REAL PARTY IN INTEREST

The real party in interest is Cyberlink Corp., a Taiwan Corporation having a principal place of business at 15 Fl. No. 100, Minchiuan Rd., Shindian City, Taipei, Taiwan, R.O.C.

II. RELATED APPEALS AND INTERFERENCES

There are no related appeals or interferences.

III. STATUS OF THE CLAIMS

Claims 5-26 are pending in this application. Through prosecution of this matter, claims 1-4 have been canceled without prejudice, waiver, or disclaimer. Claims 5-26 were rejected by the FINAL Office Action mailed February 8, 2007 and are the subject of this appeal.

IV. STATUS OF AMENDMENTS

All amendments submitted before the mailing date of the FINAL Office Action have been entered. No amendments have been submitted since the mailing date of the FINAL Office Action. A copy of the current claims is attached hereto in the Appendix.

V. SUMMARY OF CLAIMED SUBJECT MATTER

Embodiments of the claimed subject matter are illustrated in FIGS. 2(A-E)-5, and 7(A-B)-9 and are discussed in the specification on at least pages 4-40. Generally speaking, Applicant claims a system and method for licensing software using a clearinghouse to license only the technology modules that an end user registers. The clearinghouse maintains registration information which can be used to bill a software provider for the technology licensed to the end user. The system can be used to compensate technology owners only after the end user registers an unlicensed technology module. Thus, the system and method allows software vendors to reduce costs by licensing only the technologies that an end user actually uses. The clearinghouse can also be used to track the usage of software functionality to determine the popularity of a particular technology. The claimed inventions are summarized below with reference numerals and references to the written description ("specification") and drawings. The subject matter described in the following appears in the original disclosure at least where indicated, and may further appear in other places within the original disclosure.

Embodiments of the invention, such as those defined by independent claim 5, define a method for licensing software on a computer hardware platform (*see, e.g.*, FIGS. 3, 7B, 8), the software including at least one function that is restricted to a limited use (*see, e.g., specification*, page 8, lines 3-9; page 11, lines 3-7), comprising: transmitting an activation request (*see, e.g., specification*, page 17, lines 13-16) for a technology that must be registered to use the at least one function to a registration clearinghouse (*see, e.g., specification*, page 14, lines 14-20); causing registration

information related to the technology that must be registered to use the at least one function to be compiled in a registration database (see, e.g., *specification*, page 15, lines 10-13); receiving a communication that is capable of relieving the limited use restriction of the at least one function (see, e.g., *specification*, page 8, lines 9-11); and determining actual usage of the technology based on the registration information compiled in the registration database (see, e.g., *specification*, page 15, lines 12-15).

Independent claim 10 describes a computer readable medium having software used in a software licensing system comprising (see, e.g., FIG. 7A, 7B): at least one function that is restricted to a limited use (see, e.g., *specification*, page 8, lines 3-9; page 11, lines 3-7), the function containing at least one technology that must be registered before the limited use is relieved (see, e.g., *specification*, page 8, lines 3-9; page 8, lines 9-11); logic for transmitting an activation request to a registration clearinghouse, the activation request related to at least one technology that must be registered to use the at least one function (see, e.g., *specification*, page 17, lines 13-16); logic for sending registration information, the registration information related to the technology that must be registered to use the at least one function to the registration clearinghouse (see, e.g., *specification*, page 8, lines 7-11; page 14, lines 14-20), the registration clearinghouse including a means for compiling the registration information (see, e.g., *specification*, page 15, lines 10-15), the means for compiling the registration information being accessible to determine actual usage of the technology based on the registration information (see, e.g., *specification*, page 15, lines 12-17); and logic for receiving a communication, the communication including a means for relieving the

limited use restriction of the at least one function (*see, e.g., specification*, page 8, lines 9-11).

Independent claim 18 describes a system for licensing software including (*see, e.g., FIG. 2A-2E*): a protected software product, the software product including at least one function that is restricted to a limited use (*see, e.g., specification*, page 8, lines 3-9; page 11, lines 3-7), the function containing at least one technology that must be registered before the limited use is relieved (*see, e.g., specification*, page 8, lines 3-9; page 8, lines 9-11), the software including a logic for receiving a communication, the communication including a means for relieving the limited use restriction of the at least one function (*see, e.g., specification*, page 8, lines 9-11); and a registration clearinghouse (*see, e.g., specification*, page 14, lines 18-20) for storing registration information associated with identification information compiled in a registration database used to track the use of the technology (*see, e.g., specification*, page 15, lines 10-13), the registration clearinghouse also containing the means for relieving the limited use restriction of the at least one function (*see, e.g., specification*, page 15, lines 6-10).

Independent claim 25 describes a method for licensing software comprising (*see, e.g., FIGS. 3, 7B, 8*): providing software to a user, the software including at least one unregistered technology within at least one restricted functionality module (*see, e.g., specification*, page 8, lines 3-9); receiving a request from a user to relieve the restricted functionality module (*see, e.g., specification*, page 8, lines 19-20; page 17, lines 5-18); relieving the restricted functionality, creating activated functionality (*see, e.g., specification*, page 8, lines 19-22); and licensing the registered technology from a technology holder (*see, e.g., specification*, page 8, lines 1-3).

Independent claim 26 describes a method for managing the expense of licensed technology comprising (see, e.g., FIGS. 3, 7B, 8): providing software to a user, the software including at least one unregistered technology within at least one restricted functionality module (see, e.g., *specification*, page 8, lines 3-9); receiving a request from a user to relieve the restricted functionality module (see, e.g., *specification*, page 8, lines 19-20; page 17, lines 5-18); compiling registration data in a registration database (see, e.g., *specification*, page 15, lines 10-13); relieving the restricted functionality (see, e.g., *specification*, page 8, lines 19-22); and determining the usage of a registered technology based on the registration data in the registration database (see, e.g., *specification*, page 15, lines 12-15).

VI. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

The FINAL Office action mailed February 8, 2007 rejected claims 5, 6, 8-12, 16-19 and 23-26 under 35 U.S.C. §102(b) as allegedly being anticipated by *Ahmad* (U.S. Pat. No. 5,925,127). Claims 7, 15, and 22 were rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over *Ahmad* in view of *Lane* (U.S. Pat. No. 6,941,353).

VII. ARGUMENT

In the **Response to Arguments** section of the FINAL Office Action, the Examiner indicated that Applicant's arguments were not persuasive and maintained the rejections to claims 5-26. For at least the reasons set forth herein, Applicants disagree and request that the rejections be overturned.

A. Discussion of Rejection of claims 5, 6, 8-12, 16-19 and 23-26 under 35 U.S.C. §102(b) as allegedly being anticipated by Ahmad

Turning now to the substantive rejections, claims 5, 6, 8-12, 16-19, and 23-26 were rejected in the FINAL Office Action under 35 U.S.C. §102(b) as allegedly being anticipated by *Ahmad*. Applicant traverses the rejection.

The Ahmad Reference

Ahmad describes a method and system for monitoring the use of a rented software program module. A rented software program module is downloaded from an Internet site operated by an authorized software rental service provider along with a Check-in/Check-out module and a Software Monitor module. The Check-in/Check-out module provides required licensing information for the rented software program module to the Software Monitor module. The Software Monitor module monitors use of the rented software program module while it is in use by the user. Particularly, the Software Monitor prevents use of the rented software program module after the expiration of the licensed usage time or licensed number of uses. The Software Monitor prevents unauthorized copying of the software program module. The desired software program module may be rented on a pay-per-use basis. (See *Ahmad*, Abstract.) In one embodiment, *Ahmad* teaches that “[i]f the licensed usage time has expired, the method follows the “NO” branch to step 700, and use of the program module 100 is terminated.” (Col. 14, lines 44-46).

Independent Claim 5 is Patentable Over Ahmad

Applicant respectfully maintains that independent claim 5 patently defines over *Ahmad* for at least the reason that *Ahmad* fails to disclose, teach or suggest certain features in claim 5.

Claim 5 recites (emphasis added):

5. A method for licensing software on a computer hardware platform, **the software including at least one function that is restricted to a limited use**, comprising:

transmitting an activation request for a technology that must be registered to use the at least one function to a registration clearinghouse;
causing registration information related to the technology that must be registered to use the at least one function to be compiled in a registration database;

receiving a communication that is capable of relieving the limited use restriction of the at least one function; and

determining actual usage of the technology based on the registration information compiled in the registration database.

On page 2, the FINAL Office Action rejects Applicant's arguments made in the non-final Office Action (mailed 9/26/06) and maintains the following:

Ahmad teaches: A method for licensing software on a computer hardware platform, the software including at least one function that is restricted to a limited use (col. 2 lines 4-8; col. 2 lines 62-67), comprising: transmitting an activation request for a technology that must be registered to use the at least one function to a registration clearinghouse (col. 2 lines 13-15); causing registration information related to the technology that must be registered to use the at least one function to be compiled in a registration database (col. 2 lines 41-47; col. 3 lines 48-51); receiving a communication that is capable of relieving the limited use restriction of the at least one function (col. 2 lines 28-36); and determining actual usage of the technology based on the registration information compiled in the registration database (col. 2 lines 62-65; col. 3 lines 48-51).

(Emphasis added; FINAL Office Action, page 2). In the **Response to Arguments** section of the FINAL Office Action, the Examiner submits that *Ahmad* relates to software programs/modules that are not functional unless authorization has been

received. However, Applicant submits that this is not equivalent to the feature, “the software including at least one function that is restricted to a limited use.” The Examiner further states, “it is noted that the features upon which applicant relies (*i.e.*, basic functionality) are not recited in the rejected claim(s). However, the preamble of claim 1 clearly recites, “the software including at least one function that is restricted to a limited use.”

Applicants appreciate the fact that preambles are typically not given any weight in determining patentability. However, in appropriate circumstances (as in the present circumstance), the preambles ARE to be given patentable weight. Specifically, proper claim construction also includes the determination of whether language included in the preamble of the claim is to be given the same weight as the language that makes up the body of the claim. In this regard, the preamble may be limiting “when the claim drafter chooses to use both the preamble and the body to define the subject matter of the claimed invention.” *Bell Communications Research, Inc. v. Vitalink Communications Corp.*, 55 F.3d 615, 620 (Fed. Cir. 1995).

If the preamble is “necessary to give life, meaning and vitality” to the claim, then the claim preamble should be construed as limiting. *Kropa v. Robie*, 187 F.2d 150, 152, (C.C.P.A. 1951). This is determined “on the facts of each case in view of the claimed invention as a whole.” *In re Stencel*, 828 F.2d 751, 754, (Fed. Cir. 1987); see also *Applied Materials, Inc. v. Advanced Semiconductor Materials Am., Inc.*, 98 F.3d 1563, 1572-73, (Fed. Cir. 1996) (“Whether a preamble stating the purpose and context of the invention constitutes a limitation . . . is determined on the facts of each case in light of the overall form of the claim, and the invention as described in the specification and

illuminated in the prosecution history."). A claim preamble "may entirely fail to supply a necessary element in a combination, yet it may so affect the enumerated elements as to give life and meaning and vitality to them, as they appear in the combination." *Bell Communications Research*, 55 F.3d at 621, n.1 (quoting *Schram Glass Manufacturing Co. v. Homer Brooke Glass Co.*, 249 F. 228, 232-233 (7th Cir.), cert denied, 247 U.S. 520 (1918)).

Applicant submits that the preamble in claim 1 provides the specific context for the features so as to clearly define over the cited art, and in this regard, the preamble gives life and meaning to the remainder of the claim. As such, *Ahmad* fails to teach the features, "the software including at least one function that is restricted to a limited use" and "receiving a communication that is capable of relieving the limited use restriction of the at least one function." Applicant again refers the Examiner to the following text in the *Ahmad* reference:

Generally described, in one aspect, the present invention provides a method for monitoring **the use of a computer program**. The method includes verifying the user's license to use the computer program during a licensed time of use. An authorization message is issued to the computer program **which allows the computer program to be used** by the user. The use of the computer program is tracked during the licensed use. **Use of the computer program may be terminated after the elapse of the licensed use.** The step of tracking the use of the computer program during the licensed time of use may include preventing unauthorized copying of the computer program.

(Emphasis added; Col. 2, Lines 26-36)

The present invention is directed to a method and system for monitoring the use of a rented software program module by a rental service provider of that software program module. As will be understood, the present invention may be used for monitoring a **variety of program modules, such as application programs, operating system modules, Internet browsers, etc. In an exemplary embodiment of the present**

invention, an application program, such as "WORD," version 8.0, produced by Microsoft Corporation of Redmond, Wash., may be rented by an end user for use during some specified period of time. The present invention allows a rental service provider to track the use of the rented software program module to prevent unauthorized extension of a licensed period of use and to prevent unauthorized copying of the rented software program module.

(Emphasis added; Col. 5, Lines 16-31)

At step 580, **the rented program module 100 is launched on the user's computer**. At step 590, the program module 100 queries the SM 140 for authorization to run on the user's computer 20. If the SM 140 has not been loaded, the method follows the "NO" branch to step 600 and the program module 100 determines the SM 140 is inactive and generates an error message to the user indicating an error state. As should be understood the error state may include a variety of reasons why the Software Monitor module is inactive. **It should be understood from the foregoing discussion that the program module 100 cannot run unless the SM 140 is operational and has received the required licensing information from the CICO module 120.** If the SM 140 has been loaded on the user's computer 20, the method follows the "YES" branch to step 610 and the program module 100 passes its APPID to the SM 140 and requests license information from the SM 140.

(Emphasis added; Col. 13, Lines 37-53) Applicant submits that the *Ahmad* reference does not teach of **"the software including at least one function that is restricted to a limited use"** as highlighted in claim 5 above. The *Ahmad* reference relates to software programs/modules that are not functional unless authorization has been received. However, the software modules disclosed by *Ahmad* are not offered in a "limited use" mode. The program module is either available for use or is disabled. As shown in the cited text above, the software modules taught by the *Ahmad* reference **"cannot run unless** the SM 140 is operational and has received the required licensing information from the CICO module 120." (Emphasis added; Col. 13, Lines 45-49) "Use of the computer program may be terminated after the elapse of the licensed use." (Col.

2, Lines 33-34) As an example of a program module, the Ahmed reference provides the following, "In an exemplary embodiment of the present invention, an application program, such as "WORD," version 8.0."

Applicant maintains that this is a fundamental distinction between the *Ahmad* reference and the present invention. Claim 5 is directed to "software including at least one function that is restricted to a limited use." Claim 5 further recites "receiving a communication that is capable of relieving the limited use restriction of the at least one function."

Accordingly, Applicant respectfully submits that independent claim 5 patently defines over *Ahmad* for at least the reason that *Ahmad* fails to disclose, teach or suggest certain features in claim 5.

Because independent claim 5 patently defines over *Ahmad*, dependent claims 6-9 are allowable over *Ahmad* as a matter of law for at least the reason that claims 6-9 contain all the features and elements of their corresponding independent claim. See, e.g. *In re Fine*, 837 F. 2d 1071 (Fed. Cir. 1988).

Independent Claim 10 is Patentable Over Ahmad

Applicant respectfully maintains that independent claim 10 patently defines over *Ahmad* for at least the reason that *Ahmad* fails to disclose, teach or suggest certain features in claim 10.

Claim 10 recites (emphasis added):

10. A computer readable medium having software used in a software licensing system comprising:

at least one function that is restricted to a limited use, the function containing at least one technology that must be registered before the limited use is relieved;

logic for transmitting an activation request to a registration clearinghouse, the activation request related to at least one technology that must be registered to use the at least one function;

logic for sending registration information, the registration information related to the technology that must be registered to use the at least one function to the registration clearinghouse, the registration clearinghouse including a means for compiling the registration information, the means for compiling the registration information being accessible to determine actual usage of the technology based on the registration information; and

logic for receiving a communication, the communication including a means for relieving the limited use restriction of the at least one function.

As supported by the text passages cited earlier from the *Ahmad* reference, the *Ahmad* reference relates to software programs/modules that are not functional unless authorization has been received. That is, the software program disclosed by *Ahmad* does not include “at least one function that is restricted to a limited use, the function containing at least one technology that must be registered before the limited use is relieved.” *Ahmad*, instead, teaches “[t]he step of tracking the use of the computer program during the licensed use can include the Software Monitor module starting a timer to record the time of use of the computer program. The computer program may query the Software Monitor module as to whether a licensed time of use has expired.” (Col. 2, lines 62-67).

Claim 10 is directed to software which comprises at least one function that is restricted to “limited use.” To allow end users to obtain less limited or unlimited use, claim 10 includes the feature, “logic for receiving a communication, the communication including a means for relieving the limited use restriction of the at least one function.”

Applicant submits that *Ahmad* fails to disclose, teach, or suggest the features highlighted above in claim 10.

Accordingly, Applicant respectfully submits that independent claim 10 patently defines over *Ahmad* for at least the reason that *Ahmad* fails to disclose, teach or suggest certain features in claim 10.

Because independent claim 10 patently defines over *Ahmad*, dependent claims 11-17 are allowable over *Ahmad* as a matter of law for at least the reason that claims 11-17 contain all the features and elements of their corresponding independent claim. See, e.g. *In re Fine*, 837 F. 2d 1071 (Fed. Cir. 1988).

Independent Claim 18 is Patentable Over Ahmad

Applicant maintains that independent claim 18 patently defines over *Ahmad* for at least the reason that *Ahmad* fails to disclose, teach or suggest certain features in claim 18.

Claim 18 recites (emphasis added):

18. A system for licensing software including:
a protected software product, the software product including at least one function that is restricted to a limited use, the function containing at least one technology that must be registered before the limited use is relieved, the software including a logic for receiving a communication, the communication including a means for relieving the limited use restriction of the at least one function; and
a registration clearinghouse for storing registration information associated with identification information compiled in a registration database used to track the use of the technology, the registration clearinghouse also containing the means for relieving the limited use restriction of the at least one function.

In the FINAL Office Action, the Examiner continues to rely on the same text passage (*Ahmad*; Col. 2, lines 62-67) to allege that *Ahmad* teaches of software with “limited use.”

The *Ahmad* reference relates to software programs/modules that are not functional unless authorization has been received. However, *Ahmad* fails to teach of “a protected software product, the software product including at least one function that is restricted to a limited use.” To allow end users to later elect to run or launch certain functions within the software to obtain less limited or unlimited use, claim 18 includes the element, “the software including a logic for receiving a communication, the communication including a means for relieving the limited use restriction of the at least one function.” However, if the end user does not elect to obtain less limited or unlimited use of the software via activation of additional features, the software is still available, but simply remains in a limited use mode. Applicant respectfully maintains that *Ahmad* fails to teach these features.

Accordingly, Applicant respectfully submits that independent claim 18 patently defines over *Ahmad* for at least the reason that *Ahmad* fails to disclose, teach or suggest certain features in claim 18.

Because independent claim 18 patently defines over *Ahmad*, dependent claims 19-24 are allowable over *Ahmad* as a matter of law for at least the reason that claims 19-24 contain all the features and elements of their corresponding independent claim. See, e.g. *In re Fine*, 837 F. 2d 1071 (Fed. Cir. 1988).

Independent Claim 25 is Patentable Over Ahmad

Applicant respectfully submits that independent claim 25 patently defines over *Ahmad* for at least the reason that *Ahmad* fails to disclose, teach or suggest certain features in claim 25.

Claim 25 recites (emphasis added):

25. A method for licensing software comprising:
providing software to a user, **the software including at least one
unregistered technology within at least one restricted functionality
module;**
receiving a request from a user to relieve the restricted functionality
module;
**relieving the restricted functionality, creating activated
functionality;** and
licensing the registered technology from a technology holder.

On page 5 of the FINAL Office Action, the Examiner maintains that *Ahmad* teaches each of the features recited in claim 25. Applicant respectfully disagrees. The text cited by the Office Action is shown below:

There is a further need in the art for a software program module rental method and system that allow software applications to be rented on a pay-per-use basis from a remote rental service provider while allowing the rental service provider to monitor use of the rented software application.

The method includes verifying the user's license to use the computer program during a licensed time of use. An authorization message is issued to the computer program which allows the computer program to be used by the user.

(Emphasis added; Col. 2, lines 4-8; Col. 2, lines 28-31) However, as discussed above, there is a fundamental distinction between the *Ahmad* reference and the present invention. As supported by the cited text above, the *Ahmad* reference relates to software modules that are not functional unless authorization has been received. The program module is either available for use or is disabled. To allow end users to obtain unrestricted functionality, claim 25 recites “relieving the restricted functionality, creating activated functionality.” As such, Applicant respectfully submits that *Ahmad* fails to teach the feature, “the software including at least one unregistered technology within at least one restricted functionality module.”

Accordingly, Applicant respectfully submits that independent claim 25 patentably defines over *Ahmad* for at least the reason that *Ahmad* fails to disclose, teach or suggest certain features in claim 25.

Independent Claim 26 is Patentable Over Ahmad

Applicant respectfully maintains that independent claim 26 patentably defines over *Ahmad* for at least the reason that *Ahmad* fails to disclose, teach or suggest certain features in claim 26.

Claim 26 recites (emphasis added):

26. A method for managing the expense of licensed technology comprising:
providing software to a user, the software including at least one unregistered technology within at least one restricted functionality module;

receiving a request from a user to relieve the restricted functionality module;

compiling registration data in a registration database;

relieving the restricted functionality; and

determining the usage of a registered technology based on the registration data in the registration database.

Claim 26 recites, “providing software to a user, the software including at least one unregistered technology within at least one restricted functionality module.” Claim 26 further recites “relieving the restricted functionality.” Applicant submits that *Ahmad* fails to teach of software that includes at least one unregistered technology within at least one restricted functionality module. As discussed in the previous sections above, there is a fundamental distinction between the *Ahmad* reference and the present invention. As supported by the cited text above, the *Ahmad* reference relates to software modules

that are not functional unless authorization has been received. The program module is either available for use or is disabled.

Accordingly, Applicant respectfully submits that independent claim 26 patentably defines over *Ahmad* for at least the reason that *Ahmad* fails to disclose, teach or suggest certain features in claim 26.

B. Discussion of Rejection of claims 7, 15, and 22 under 35 U.S.C. §103(a) as allegedly being unpatentable over *Ahmad* in view of *Lane*

The Office Action rejected claims 7, 15, and 22 under 35 U.S.C. § 103(a) as allegedly being unpatentable over *Ahmad* in view of *Lane*. First, these claims depend from otherwise patentable claims, and therefore define over the prior art by virtue of their dependency.

In addition, these rejections should be overturned as being legally deficient. In this regard, the Office Action combined *Lane* with *Ahmad* on the solely expressed basis that “it would have been obvious ... in order to let user is [*sic*] not given a full opportunity to be exposed to the complete aspect the program until users purchase such a program for particular use.” (see e.g., Office Action, p. 7)

This rationale is both incomplete and improper in view of the established standards for rejections under 35 U.S.C. § 103.

In this regard, the MPEP section 2141 states:

Office policy has consistently been to follow *Graham v. John Deere Co.* in the consideration and determination of obviousness under 35 U.S.C. 103. As quoted above, the four factual inquiries enunciated therein as a background for determining obviousness are briefly as follows:

(A) Determining of the scope and contents of the prior art;

- (B) Ascertaining the differences between the prior art and the claims in issue;
- (C) Resolving the level of ordinary skill in the pertinent art; and
- (D) Evaluating evidence of secondary considerations.

...

BASIC CONSIDERATIONS WHICH APPLY TO OBVIOUSNESS REJECTIONS

When applying 35 U.S.C. 103, the following tenets of patent law must be adhered to:

- (A) The claimed invention must be considered as a whole;
- (B) The references must be considered as a whole and must suggest the desirability and thus the obviousness of making the combination;
- (C) The references must be viewed without the benefit of impermissible hindsight vision afforded by the claimed invention and
- (D) Reasonable expectation of success is the standard with which obviousness is determined.

Hodosh v. Block Drug Co., Inc., 786 F.2d 1136, 1143 n.5, 229 USPQ 182, 187 n.5 (Fed. Cir. 1986).

The foregoing approach to obviousness determinations was recently confirmed by the United States Supreme Court decision in *KSR INTERNATIONAL CO. V. TELEFLEX INC. ET AL.* 550 U.S. ____ (2007)(No. 04-1350, slip opinion, p. 2), where the Court stated:

In *Graham v. John Deere Co. of Kansas City*, 383 U. S. 1 (1966), the Court set out a framework for applying the statutory language of §103, language itself based on the logic of the earlier decision in *Hotchkiss v. Greenwood*, 11 How. 248 (1851), and its progeny. See 383 U. S., at 15–17. The analysis is objective:

“Under §103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background the obviousness or nonobviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented.” *Id.*, at 17–18.

Simply stated, the Office Action has failed to at least (1) ascertain the differences between and prior art and the claims in issue; and (2) resolve the level of ordinary skill in the art. Furthermore, the alleged rationale for combining the two references embodies clear and improper hindsight rationale.

Further to this point, claim 7 recites:

7. The method of claim 5, wherein the limited use is selected from the group consisting of:
disallowing the execution of the function;
allowing only a predefined number of uses of the function;
hiding the function from a user interface; and
withholding executable code needed to execute the function.

(Emphasis added.) The Office Action admits that Ahmad fails to teach the feature of hiding the function from a user interface, but relies on Lane for teaching this function. The rationale cited for combining Lane with Ahmad, however, is “in order to let user is [sic] not given a full opportunity to be exposed to the complete aspect the program until users purchase such a program for particular use.” This alleged rationale, however, has essentially nothing to feature of “hiding the function from a user interface,” which underscores the impropriety of the combination and therefore the rejection.

For at least these additional reasons, Applicant submits that the rejections of claims 7, 15, and 22 are improper and should be overturned.

VIII. CONCLUSION

In summary, it is Applicant’s position that Applicant’s claims are patentable over the cited references and that the rejection of these claims should be overturned.

Applicant therefore respectfully requests that the Board of Appeals overturn the Examiner's rejection and allow Applicant's pending claims.

In addition to the claims of Appendix A, Appendix B attached hereto indicates that there is no evidence being attached and relied upon by this brief. Appendix C attached hereto indicates that there are no related proceedings.

As the fee for the appeal brief was paid upon the filing of the original brief, no additional fee is believed to be due. If, however, any fee is required you are hereby authorized to charge any such fee to deposit account 20-0778.

Respectfully submitted,

/Daniel R. McClure/

Daniel R. McClure
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CLAIMS APPENDIX

1 - 4. (Canceled)

5. A method for licensing software on a computer hardware platform, the software including at least one function that is restricted to a limited use, comprising:

transmitting an activation request for a technology that must be registered to use the at least one function to a registration clearinghouse;

causing registration information related to the technology that must be registered to use the at least one function to be compiled in a registration database;

receiving a communication that is capable of relieving the limited use restriction of the at least one function; and

determining actual usage of the technology based on the registration information compiled in the registration database.

6. The method of claim 5 further including the step of:
providing payment to a technology holder, the payment based on the actual usage of the technology.

7. The method of claim 5, wherein the limited use is selected from the group consisting of:

disallowing the execution of the function;

allowing only a predefined number of uses of the function;

hiding the function from a user interface; and

withholding executable code needed to execute the function.

8. The method of claim 7, wherein the predefined number of uses is zero.

9. The method of claim 5, further including the step of:

receiving an invocation from the computer to execute the at least one function that is restricted to the limited use.

10. A computer readable medium having software used in a software licensing system comprising:

at least one function that is restricted to a limited use, the function containing at least one technology that must be registered before the limited use is relieved;

logic for transmitting an activation request to a registration clearinghouse, the activation request related to at least one technology that must be registered to use the at least one function;

logic for sending registration information, the registration information related to the technology that must be registered to use the at least one function to the registration clearinghouse, the registration clearinghouse including a means for compiling the registration information, the means for compiling the registration information being accessible to determine actual usage of the technology based on the registration information; and

logic for receiving a communication, the communication including a means for relieving the limited use restriction of the at least one function.

11. The software of claim 10, wherein the means for compiling the registration request is a registration database.

12. The system of claim 10, wherein the means for relieving the limited use restriction includes a key code or a source code.

13. The system of claim 10, wherein the at least one function is playing a DVD movie.

14. The system of claim 10, wherein the at least one technology is selected from the group consisting of:

technology used to decode digital audio; and

technology used to decode digital video.

15. The system of claim 10, wherein the limited use selected from the group consisting of:

disallowing the execution of the function;

allowing only a predefined number of uses of the function;

hiding the function from a user interface; and

withholding executable code needed to execute the function.

16. The system of claim 10, wherein:

the means for compiling the registration information may be accessed by a software provider to determine the actual usage of the technology based on the registration information.

17. The system of claim 16, wherein, the software provider provides a payment to a technology holder, the payment based on the actual usage of the technology.

18. A system for licensing software including:

a protected software product, the software product including at least one function that is restricted to a limited use, the function containing at least one technology that must be registered before the limited use is relieved, the software including a logic for receiving a communication, the communication including a means for relieving the limited use restriction of the at least one function; and

a registration clearinghouse for storing registration information associated with identification information compiled in a registration database used to track the use of the technology, the registration clearinghouse also containing the means for relieving the limited use restriction of the at least one function.

19. The system of claim 18, wherein the means for relieving the limited use restriction includes a key code or a source code.

20. The system of claim 18, wherein the at least one function is playing a DVD movie.

21. The system of claim 18, wherein the at least one technology is selected from the group consisting of:

technology used to decode digital audio; and
technology used to decode digital video.

22. The system of claim 18, wherein the limited use is provided by:
disallowing the execution of the function;
allowing only a predefined number of uses of the function;
hiding the function from a user interface; or
withholding executable code needed to execute the function.

23. The system of claim 18, wherein the registration database may be accessed by a software provider to determine the actual usage of the technology based on the registration information.

24. The system of claim 23, wherein the software provider provides a payment to a technology holder, the payment based on the actual usage of the technology.

25. A method for licensing software comprising:
providing software to a user, the software including at least one unregistered technology within at least one restricted functionality module;
receiving a request from a user to relieve the restricted functionality module;

relieving the restricted functionality, creating activated functionality; and
licensing the registered technology from a technology holder.

26. A method for managing the expense of licensed technology comprising:
providing software to a user, the software including at least one unregistered
technology within at least one restricted functionality module;
receiving a request from a user to relieve the restricted functionality module;
compiling registration data in a registration database;
relieving the restricted functionality; and
determining the usage of a registered technology based on the registration data
in the registration database.

EVIDENCE APPENDIX

(NONE)

RELATED PROCEEDINGS APPENDIX

(NONE)